

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Northampton Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: October 28, 2020

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY21 (since the amount under the prior schedule was maintained in FY21) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.375% to 7.125%.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

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NORTHAMPTON CONTRIBUTORY RETIREMENT SYSTEM

FUNDING SCHEDULE

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution
2022	2,016,237	62,956,696	5,037,151	109,990	7,163,379
2023	2,106,968	62,046,313	5,240,343	109,990	7,457,301
2024	2,201,781	60,853,395	5,451,739	109,990	7,763,511
2025	2,300,861	59,349,024	5,671,671	109,990	8,082,523
2026	2,404,400	57,501,864	5,900,485	109,990	8,414,875
2027	2,512,598	55,277,977	6,138,538	109,990	8,761,127
2028	2,625,665	52,640,624	6,386,205	109,990	9,121,861
2029	2,743,820	49,550,046	6,179,644	109,990	9,033,454
2030	2,867,292	46,460,544	6,426,830	109,990	9,404,112
2031	2,996,320	42,886,116	6,683,903	109,990	9,790,213
2032	3,131,154	38,781,621	6,951,259	109,990	10,192,404
2033	3,272,056	34,098,275	7,229,309	109,990	10,611,356
2034	3,419,299	28,783,379	7,518,482	109,990	11,047,771
2035	3,573,167	22,780,021	7,819,221	109,990	11,502,379
2036	3,733,960	16,026,757	8,131,990	109,990	11,975,940
2037	3,901,988	8,457,270	8,457,270	109,990	12,469,248
2038	4,077,578	-	-	109,990	4,187,568

Amortization of Unfunded Liability as of July 1, 2021

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2005	ERI-Housing	7,992	4.50%	24	16,520	7
2006	ERI-City	164,100	4.50%	23	324,610	7
2022	Fresh Start	4,696,022	4.00%	16	4,696,022	16